SEC Mail Processing Section



SECURIT

28140

,1ON

OMB Number: 3235-0123
Expires: February 28, 2010

Estimated average burden
Hours per response12.00

MAR 0 1 2010

Washington, DC 105 ANNUAL AUDITED REPORT FORM X-17A-5 PART III SEC FILE NUMBER

8-52128

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT AS OF <u>12/31/09</u> MM/DD/YY						
A. REGISTRAN	[IDENTIFICATION					
			OFFICIAL USE ONLY			
NAME OF BROKER-DEALER:			FIRM ID. NO.			
LORIA FINANCIAL GROUP, LLC.						
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do	o not use P.O. Box No.)					
7500 S. County Line Road						
(No. and Street) Burr Ridge	Illinois	60527				
(City)	(State)	(Zip Code)				
NAME AND TELEPHONE NUMBER OF PERSON TO Richard T. Loria	CONTACT IN REGAR	(630) 887-44 (Area Code - Telepho	404			
B. ACCOUNTAN	T IDENTIFICATION					
INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report* Ryan & Juraska, Certified Public Accountants (Name – if individual, state last, first, middle name)						
141 West Jackson Boulevard, Suite 2250	Chicago	Illinois	60604			
(Address)	(City)	(State)	(Zip Code)			
CHECK ONE: [X] Certified Public Accountant [] Public Accountant [] Accountant not resident in United States or	any of its possessions					
FOR OFFICIA	L USE ONLY					

^{*}Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).



OATH OR AFFIRMATION

I, <u>Rick T. Loria</u>, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of <u>Loria Financial Group, LLC</u> as of <u>December 31, 2009</u> are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

None	
	Signature
	Managing Member
	Title

Subscribed and sworn to before me this

26 day of February

"OFFICIAL SEAL"
Philip C. Ryan
Notary Public, State of Illinois
My Commission Expires 08/20/20

Notary Public

This report** contains (check all applicable boxes)

- [x] (a) Facing Page.
- [x] (b) Statement of Financial Condition.
- [] (c) Statement of Income (Loss).
- [] (d) Statement of Cash Flows.
- [] (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- [] (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors.
- [x] (g) Computation of Net Capital for Brokers and Dealers pursuant to Rule 15c3-1.
- [x] (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- [x] (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Under Rule 15c3-3.
- [] (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- [] (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- [x] (I) An Oath or Affirmation.
- [] (m) A copy of the SIPC Supplemental Report.
- [] (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- [x] (o) Independent Auditors' Report on Internal Accounting Control.
- [] (p) Schedule of Segregation Requirements and Funds in Segregation Customers' Regulated Commodity Futures Accounts Pursuant to CFTC Rule 1.10(d)2(iv).

^{**}For conditions of confidential treatment of certain portions of this filing, see Section 240.17a-5(e)(3).



RYAN & JURASKA

Certified Public Accountants

141 West Jackson Boulevard Chicago, Illinois 60604

Tel: 312.922.0062 Fax: 312.922.0672

INDEPENDENT AUDITORS' REPORT

To the Members of Loria Financial Group, LLC

We have audited the accompanying statement of financial condition of Loria Financial Group, LLC as of December 31, 2009, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Loria Financial Group, LLC as of December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statement taken as a whole. The information contained in the supplementary schedules is presented for purposes of additional analysis and is not a required part of the basic financial statement, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statement and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statement taken as a whole.

Chicago, Illinois February 26, 2010

Kyan & Juraska

Statement of Financial Condition

December 31, 2009

Assets	
Cash and cash equivalents Commissions receivable	\$ 117,238 5,374
Investment in mutual funds, at fair value	31,496
Furniture, computer equipment and software, at cost (net of accumulated depreciation of \$102,125)	75,030
Other assets	 21,745
	\$ 250,883
Liabilities and Members' Equity	
• •	
Liabilities: Accounts payable and accrued expenses	\$ 27,463
Members' equity	223,420
	\$ 250,883

NOTES TO STATEMENT OF FINANCIAL CONDITION December 31, 2009

1. Organization and Business

Loria Financial Group, LLC (the "Company"), an Illinois limited liability company, was organized on August 11, 1999. The Company is a broker-dealer registered with the Securities and Exchange Commission, and is a member of the Financial Industry Regulatory Authority. The Company conducts business primarily with retail customers and submits that business in a direct application way with the respective carriers used.

2. Summary of Significant Accounting Policies

Cash Equivalents

Cash equivalents consist of money market deposits with maturities of less than three months.

Fair Value Investment

The Company's investment in mutual funds is reported in the statement of financial condition at fair value which is equal to the market value of the net assets of the investment. The Company records its proportionate share of income or loss from the investment in the statement of operations.

Depreciation

Depreciation of furniture, equipment and computer software is computed using accelerated methods for both financial reporting and income tax purposes.

Income Taxes

No provision has been made for federal income taxes as the taxable income or loss of the Company is included in the respective income tax returns of the members.

Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Management determined that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

3. Benefit Plan

The Company has established a simplified employee pension plan for qualified employees and members. Employee contributions made to the plan during the year ended December 31, 2009 totaled \$14,914.

NOTES TO STATEMENT OF FINANCIAL CONDITION, CONTINUED December 31, 2009

4. Related Party Transaction

For the year ended December 31, 2009, the Company had a payable to an affiliated entity for services provided totaling \$1,457.

5. Fair Value Disclosure

The Company adopted Statement of Financial Accounting Standards No. 157 ("SFAS No. 157"), which requires, among other things, enhanced disclosures about investments that are measured and reported at fair value. SFAS No. 157 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

<u>Level 1 Inputs</u> - Quoted prices in active markets for identical assets or liabilities at the reporting date.

<u>Level 2 Inputs</u> - Other than quoted prices included with Level 1 that are observable for substantially the full term of the asset or liability, either directly or indirectly. Level 2 assets include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities that are not active; and inputs other than quoted prices that are observable, such as models or other valuation methodologies.

<u>Level 3 Inputs</u> - Unobservable inputs for the valuation of the asset or liability. Level 3 assets include investments for which there is little, if any, market activity. These inputs require significant management judgment or estimation.

At December 31, 2009, the Company had an investment in mutual funds totaling \$31,496, which is a level 1 investment. The Company did not have any level 2 or level 3 investments.

6. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15(c)3-1) and has elected to use the basic method as permitted by this rule. Under this rule, the Company is required to maintain "net capital" equal to the greater of \$5,000 or 6 and 2/3 % of "aggregate indebtedness", as defined.

At December 31, 2009, the Company had net capital and net capital requirements of \$123,789 and \$5,000, respectively.

SUPPLEMENTAL SCHEDULES

Computation of Net Capital for Broker and Dealers pursuant to Rule 15c3-1

December 31, 2009

Computation of net capital			
Total members' equity		\$	223,420
Deductions and /or charges: Nonallowable assets: Furniture and equipments, at cost Other assets	\$ 75,030 21,745		(96,775)
Net capital before haircuts on securities positions			126,645
Haircuts on securities: Other securities Other-money market fund	\$ 2,835 21		(2,856)
Net capital		\$	123,789
Computation of basic capital requirement			
Minimum net capital required (greater of \$5,000 or 6 ⅔% of aggregate indebtedness)		_	5,000
Net capital in excess of net capital requirement		\$	118,789
Computation of aggregate indebtedness			
Aggregate indebtedness		\$_	27,463
Ratio of aggregate indebtedness to net capital		%_	22.19

There are no material differences between the above computation and the Company's corresponding unaudited amended Form FOCUS Part II filing as of December 31, 2009.

Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3 December 31, 2009

The Company did not handle any customer cash or securities during the year ended December 31, 2009 and does not have any customer accounts.

LORIA FINANCIAL GROUP, LLC

Information Relating to Possession or Control Requirements pursuant to Rule 15c3-3 December 31, 2009

The Company did not handle any customer cash or securities during the year ended December 31, 2009 and does not have any customer accounts.



RYAN & JURASKA

Certified Public Accountants

141 West Jackson Boulevard Chicago, Illinois 60604

Tel: 312.922.0062 Fax: 312.922.0672

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL

To the Members of Loria Financial Group, LLC

In planning and performing our audit of the statement of financial condition of Loria Financial Group, LLC (the "Company") as of December 31, 2009, we considered its internal control structure, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the statement of financial condition and not to provide assurance on the internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g), in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

- (1) Making quarterly securities examinations, counts, verifications, and comparisons
- (2) Recordation of differences required by Rule 17a-13
- (3) Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.



Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statement that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statement will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2009 to meet the SEC's objectives.

This report is intended solely for the information and use of management, the SEC, the Financial Industry Regulatory Authority and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Chicago, Illinois

February 26, 2010

Fiyan & Juraska

STATEMENT OF FINANCIAL CONDITION AND SUPPLEMENTARY SCHEDULES PURSUANT TO SEC RULE 17a-5(d)

December 31, 2009

AVAILABLE FOR PUBLIC INSPECTION

SEC Mail Processing Section

MAR 0 1 2010

Washington, DC 105

LORIA FINANCIAL GROUP, LLC

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES RELATED TO AN ENTITY'S SIPC ASSESSMENT RECONCILIATION AND SUPPLEMENTARY SCHEDULES PURSUANT TO SEC RULE 17a-5(e)(4)

Period Ended December 31, 2009



RYAN & JURASKA

Certified Public Accountants

141 West Jackson Boulevard Chicago, Illinois 60604

Tel: 312.922.0062 Fax: 312.922.0672

Independent Accountants' Report on Applying Agreed-Upon Procedures Related to an Entity's SIPC Assessment Reconciliation

To the Members of, Loria Financial Group, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation (SIPC) for the period from April 1, 2009 to December 31, 2009, which were agreed to by Loria Financial Group, LLC (the "Company") and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC (the "specified parties"), solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1. Compared the listed assessment payments in Form SIPC-7T with respective cash disbursement records entries noting no differences;
- Compared the amounts reported on the audited Form X-17A-5 for the period April 1, 2009 to December 31, 2009, as applicable, with the amounts reported in Form SIPC-7T for the period April 1, 2009 to December 31, 2009, noting no differences;
- 3. Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers noting no differences;
- 4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers supporting the adjustments noting no differences; and
- Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7T on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

February 26, 2010

Ryan & Juraska

Ryan & Juraska

SIPC-7T (29-REV 12/09)

SECURITIES INVESTOR PROTECTION CORPORATION

SIPC-7T (29-REV 12/09)

805 15th St. N.W. Suite 800, Washington, D.C. 20005-2215 202-371-8300

Transitional Assessment Reconciliation

(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

		Loria Financial Group, LLC 7500 S. County Line Road	requires corre	f the information ction, please em g and so indicate	ail any correcti	ions to
		Burr Ridge, IL 60527	Name and tele respecting this	ephone number of storm.	of person to co	ntact
2.	A.	General Assessment [item 2e from page 2 (not less that	n \$150 minimum)]		\$	674
	В.	Less payment made with SIPC-6 filed including \$150 pa	aid with 2009 SIPC-4 (excl	ude interest)	(192
		July 22, 2009				
		Date Paid				
	C.	Less prior overpayment applied			(-
	D.	Assessment balance due or (overpayment)				48
		Interest computed on late payment (see instruction E) f	or days at 20% pe	r annum		-
		Total assessment balance and interest due (or overpay	•		\$	48
		PAID WITH THIS FORM Check enclosed, payable to SIPC	¢	556		
		Total (must be same as F above)	\$	74)		
	Н.	Overpayment carried forward	\$(
rs	on t all i	C member submitting this form and the by whom it is executed represent thereby information contained herein is true, correct inplete.		oria Financiai G		ation)
	COII	prote.		(Authorized Sig	gnature)	
d	d th	neday of, 20 <u>10</u> .		(Title)		
d ate	forr	neday of, 20 <u>10</u> . In and the assessment payment is due 60 days after the liod of not less than 6 years, the latest 2 years in an eas	end of the fiscal year. Refilly accessible place.	(Title) tain the Working		orm
d ate	forr per	n and the assessment payment is due 60 days after the	end of the fiscal year. Refily accessible place. Reviewed			orm

DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period beginning April 1, 2009 and ending <u>December 31</u>, 2009 Eliminate cents

Item 2a.	No. Total Revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)	745,634
2b.	Additions: (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and	
	predecessors not included above.	-
	(2) Net loss from principal transactions in securities in trading accounts.	
	(3) Net loss from principal transactions in commodities trading accounts.	-
	(4) Interest and dividend expense deducted in determining item 2a.	-
	(5) Net loss from management of or participation in the underwriting or distribution of securities.	-
	(6) Expenses other than advertising, printing, registration fees, and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.	
	(7) Net loss from securities within investment accounts	-
	Total additions	
2c.	Deductions:	
	(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.	475,898
	(2) Revenues from commodity transactions.	
	(3) Commissions, floor brokerage, and clearance paid to other SIPC members in connection with securities transactions.	· .
	(4) Reimbursements for postage in connection with proxy solicitation.	
	(5) Net gain from securities in investment accounts.	-
	(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) treasury bills, banker acceptances or commercial paper that matures in nine months or less from issuance date.	
	(7) Direct expenses of printing, advertising, and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).	<u> </u>
	(8) Other revenue not related either directly or indirectly to the securities business. (See instruction C)	. 1 1/4
	(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line CODE 4075 plus line 2b(4) above) but not in excess of total interest and dividend income. \$	
2d.	SIPC Net Operating Revenues	\$269,736
2e.	General Assessment @ .0025	\$ 674 (to page 1 but not less than \$150 minimum)

LORIA FINANCIAL GROUP, LLC , n SIPC

2/10/2010

556.00

10955

Cash - Harris Bank ch 052128

556.00



563894 (4/08)